

CITY OF TIGARD, OREGON

RESOLUTION NO. 05-06

A RESOLUTION AUTHORIZING THE SUBMITTAL TO METRO OF THE CITY'S THIRD YEAR TITLE 7, AFFORDABLE HOUSING, COMPLIANCE REPORT.

WHEREAS, in 2001, Metro adopted Title 7, "Housing and Affordable Housing," as an amendment to the Urban Growth Management Functional Plan; and

WHEREAS, this title requires Metro-area jurisdictions to adopt comprehensive plan amendments aimed at encouraging the provision of affordable housing and to consider a variety of techniques to meet regional and local affordable housing needs; and

WHEREAS, Title 7 also requires affected jurisdictions to submit to Metro three annual progress reports; and

WHEREAS, the third-year report requires local government to report amendments to their comprehensive plans, the outcomes of affordable housing tools implemented, and affordable housing developed and expected; and

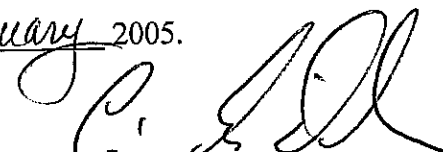
WHEREAS, this report is intended to serve as a complete and accurate statement of the City's progress in implementing Title 7;

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: The City of Tigard City Council does hereby find and declare that the report entitled "Title 7 Third Year Functional Plan Compliance Report," attached as "Exhibit A," is a detailed and factual statement of how the City is addressing Metro's Third Year Title 7 requirements.

SECTION 2: This resolution is effective immediately upon passage.

PASSED: This 8th day of February 2005.



Mayor - City of Tigard

ATTEST:



City Recorder - City of Tigard

City of Tigard

Third Year Title 7 Functional Plan Compliance Report

This report is intended to fulfill the requirements of the Third Report of Title 7, Affordable Housing, of the Urban Growth Functional Plan. These requirements include providing information on outcomes and public responses to the jurisdiction's Title 7 compliance efforts, as well as on any outstanding issues identified in prior Metro assessments of earlier progress reports.

With regard to outstanding issues identified in the previous Metro Title 7 compliance reports, the City sent a letter to the Council President's attention, dated January 27th, 2004, that comments on Metro's evaluation of Tigard's Second Year progress report. Within the letter, the City questions two of the three ordinance amendments listed as Outstanding Items for the jurisdiction. The two items were (1.) consideration of density bonus and transfer of development rights and (2.) consideration of replacement housing and inclusionary housing in urban renewal areas. Since the City has not received a reply to this letter as yet, a copy is included here as part of Tigard's Third Year report (Attachment #1). Further, the City has no Urban Renewal Areas at this time.

In response to the Metro-identified outstanding item related to affordable housing maintenance and dispersion, the City has adopted Comprehensive Plan amendments and implementing ordinances designed to address each of the two issues included in this item. Complete copies of the adopting ordinance and text amendments are attached (Attachments #2 and #3). The Tigard Planning Commission and City Council conducted public hearings on the amendments on July 19, 2004 and August 24, 2004, respectively (Attachments #4 and #5). The amendments are intended to further facilitate the provision of affordable housing within the community and to provide additional evidence of Title 7 compliance.

The amendments promote affordable housing dispersal by:

- explicitly recognizing the state statute requiring local jurisdictions to allow manufactured homes in all residential zoning districts;
- requiring the City to maintain its long standing intergovernmental agreement with the Washington County Housing Authority that, among other provisions, emphasizes the placement of new Authority-owned affordable housing at dispersed sites within the community; and
- requiring the City to establish a fee subsidy program for affordable housing development that includes guidelines giving preferential treatment to projects that facilitate the dispersal of affordable housing within the City.

(A copy of the revised guidelines themselves is included as attachment #6).

The amendments promote the maintenance of existing housing stock in two ways: by requiring the City to develop a Residential Property Maintenance Code and assign a Housing Inspector to administer it and by requiring the City to encourage residents to utilize the various low interest loan and grant home repair programs offered by the Washington County Office of Community Development through its Housing Rehabilitation Program. Some of the means that have been and will continue to be used to publicize and encourage use of the program include informational fliers and City webpage, newsletter, and cable program announcements and contact information.

As for the "outcomes" of the tools and strategies adopted by the City to promote affordable housing, in the three years since Title 7 took effect, Washington County Housing Services has added 192 apartment units within Tigard and the non-profit affordable housing provider Community Partners for Affordable Housing (CPAH) has added 26 new units.

Of these 218 additional units, Tigard has provided various forms of assistance (see below) to two multi-family projects that together account for 124 of the new units. However, it would be a stretch to claim a direct link between these local incentives and off-site capital improvements, on the one hand, and the "initiation or completion" of the two apartment projects involved, on the other. Simply stated, this is because the City's direct contributions to the financing and operation of the two projects were comparatively small relative to the projects' development costs of \$1.2 and \$5 million dollars each.

Washington Square Estates (28 units)

25% reduction in required parking spaces
SDC fee reimbursement, \$8,000
Tax abatement, \$20,700 (FY 03/04)
Sidewalk in-fill between Highway 99 and apartment complex, \$102,000

Bonita Villa (96 units)

Permit fee reimbursement, \$10,000
Development of park serving Bonita Villa and two nearby low-rent apartments, \$250,000
Installation of pedestrian crossing with flashing lights, \$56,000
Worked with TriMet to facilitate new service on Bonita Road

In both cases, these projects would have been built without the City assistance. At the same time, according to the two housing providers, the City's assistance

did enable the providers to target rent levels slightly lower than otherwise would have been feasible. In the case of the Washington County Housing Authority project, the saving was spread over various rent levels. Three of the units are targeted at households earning 50% of median income. The remaining units are targeted to the 60% group. In the case of the new CPAH-owned units, the City's pre-construction assistance enabled the nonprofit to provide two additional 30% units. The on-going tax rebate enables CPAH to reduce rents across the board on a dollar for dollar basis.

During the various meetings and hearings dealing with the subject of affordable housing held since 2001, the primary individuals or organization representatives who have participated in these meeting and hearing were CPAH and Washington County Housing Services staff. CPAH is based in Tigard and has been the City's partner in the provision of affordable housing in the community. Although a formal partnership agreement does not exist between the City and CPAH, since CPAH's establishment in the mid-1990s, the City has been active in its support of the organization in the accomplishment of its mission. The primary forms of support have included tax abatement on CPAH's portfolio of properties in Tigard, reduced parking requirements on new affordable housing developments, a reimbursement fund for development fees on affordable housing, several years of rent-free office space, the construction of off-site capital improvements (storm drainage, sidewalks, streets) serving CPAH-owned projects, and CPAH participation in the City's Enhanced Safety Program designed to reduce crime and improve the safety of rental properties. In recent years, CPAH also has made informational presentations to City Council and participated with City staff in a cable broadcast focusing on affordable housing needs in Tigard.

Attachments

1. Letter dated January 27, 2004 from James N.P. Hendryx, Director of Community Development, to David Bragdon, Council President
2. Tigard Ordinance No. 04-09, Amending Chapter 6, Housing, Volume II of the Tigard Comprehensive Plan
3. Tigard Comprehensive Plan: Findings, Policies & Implementation Strategies, Volume II
4. City of Tigard Planning Commission Minutes, July 19, 2004
5. City of Tigard Council Minutes, August 24, 2004
6. City of Tigard Affordable Housing Set-Aside Guidelines